



U.S. Department of Justice

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EVENT: Sentencing

Defendant: Jihad Makki

**ZIG-ZAG MONEY-LAUNDERING OPERATION
ORGANIZERS SENTENCED**

Jihad Makki, 44, was sentenced here today for his involvement in a multi-million dollar money laundering organization that illegally produced counterfeit Zig-Zag brand cigarette paper in Jakarta, Indonesia. U.S. Immigration and Customs Enforcement (ICE) and the Internal Revenue Service - Criminal Investigations Division (IRS-CID) investigated this case.

Makki was sentenced today by U.S. District Court Judge Avern Cohn on his earlier guilty plea to conspiracy to launder monetary instruments. Makki was sentenced to 3 years' probation with a special condition that he will participate in a home confinement program for a period of six months, a special assessment of \$100.00 and restitution to the victim in the amount of \$5,694,037.80.

ICE's investigation revealed that in early 2000, Makki and other co-conspirators initiated a scheme and began counterfeiting the cigarette paper in Jakarta, Indonesia. Makki further actively participated in the criminal organization from about March 2000 until approximately late January 2001 by conducting and receiving wire transfers of money in the amount of

approximately \$19,216.00. The organization was ultimately responsible for importing counterfeit paper into the United States from May 2000 to February 2004, which was worth an estimated \$16 million. The Detroit-area proceeds are estimated at \$871,000. Additional evidence indicated that the organization laundered approximately \$1 million to facilitate this organized criminal enterprise between March 2000 and February 2002.

The counterfeit products were sold in the U.S. at prices well below the registered Zig-Zag brand item. The lead conspirators used several front business names to introduce the counterfeit Zig-Zags into United States commerce. The markings on the products were indistinguishable from the genuine product or registered goods. The funds generated by the counterfeiting scheme were squandered by organization members or seized through civil proceedings by the North Atlantic Trading Company, trademark holder for Zig-Zag cigarette papers in the U.S.

“The interdiction of counterfeit trademark goods protects the integrity of the market and prevents wrongdoers from profiting from the hard work of others,” said United States Attorney Murphy. “We are pleased that the sentences in this case match the seriousness of the crime.”

“Intellectual property rights crimes such as counterfeiting are not victimless. They should be of concern to every American,” said Brian M. Moskowitz, Special Agent-in-Charge of the ICE Office of Investigations in Detroit. “This type of criminal activity costs U.S. industries nearly \$250 billion in losses each year. Even more disturbing is that the illicit proceeds generated from these crimes facilitate organized crime. This specific case would not have been successful without the excellent work and collaboration of the Internal Revenue Service’s Criminal Investigation Division here in Detroit.”

Maurice Aouate, Special Agent in Charge of the IRS’ Criminal Investigations Division in Detroit stated, “Money laundering is a very complex crime involving an enormous amount of financial transactions and financial outlets throughout the world. IRS-CID is committed to identifying and tracing criminal proceeds, even if it leads overseas, in order to disrupt and dismantle this type of illegal counterfeit operation.”

With today’s sentencing, seven people have now pleaded guilty and have been

sentenced with regard to crimes associated with this counterfeit operation:

March 14, 2006: Tarek Makki, 41, and Adham Mackie, 37, who were both from Sierra Leone were sentenced to 24 months in prison and 36 months supervised release after pleading guilty to money laundering, trafficking in counterfeit goods, conspiracy, making false statements and perjury. Adham Mackie also received a judicial order of deportation from the United States. Additionally, Tarek Makki received a special assessment of \$600.00, and Adham Mackie received a special assessment of \$500.00. They were also ordered to pay \$879,056.00 jointly in restitution to the victim.

February 2, 2006: Ali Mackie, 27, a low-level participant, was sentenced to six months home confinement, two years probation and \$10,000 restitution after pleading guilty to money laundering, perjury and conspiracy. Additionally, Mackie received a special assessment of \$300.00, and was ordered to pay \$10,190.00 in restitution to the victim.

June 6, 2006: Kamal Turfah, 30, was sentenced, with regard to his earlier guilty plea of structuring monetary transactions in this matter, to 3 years probation with a special condition that he will participate in a home confinement program for a period of six months, a \$10,000.00 fine, a special assessment of \$100.00 and restitution to the victim in the amount of \$87,301.00.

November 1, 2005- Anand Nanwani, 27, and Jaipal Singh, 29, were each sentenced to 15 months imprisonment for money laundering and conspiracy to traffic counterfeit goods. Both men are citizens of Indonesia and agreed to removal from the U.S. upon completion of their prison sentences. Additionally, they both received a special assessment of \$200.00, and were ordered to pay \$879,056.00 jointly in restitution to the victim.

Assistant U.S. Attorneys Eric M. Straus and Gary Felder, Eastern District of Michigan, prosecuted this case.